

Letter Circular
LC-90 5
(Supersedes LC-799)

UNITED STATES DEPARTMENT OF COMMERCE

NATIONAL BUREAU OF STANDARDS

WASHINGTON 25, D. C.

May 1, 1948

STANDARDS TO PROMOTE EXPORT TRADE

The National Bureau of Standards, at the request of and in cooperation with interested industries, is carrying out a program for establishing commercial standards for manufactured commodities exported from the United States and the publication of such standards in appropriate foreign languages, for the purpose of promoting export trade. Through voluntary certification of quality, commercial standards aid in the expansion and retention of export markets.

Through the years, foreign buyers have frequently requested the National Bureau of Standards to examine and certify that the quality of goods for export conforms to specifications. With the feeling that this should be done by commercial testing and inspection agencies, and realizing that the concentration of inspection and testing in a Government agency may tend to slow down the movement of goods from seller to buyer and constitute a bottleneck which would be thoroughly undesirable for all concerned, the National Bureau of Standards has preferred to assist in the development and establishment of standards or specifications. These may be cited in sales contracts, and the necessary inspection and testing may be done by commercial testing agencies situated close to the point of production or shipment. This plan makes maximum use of NBS resources of research data and factual information without unnecessary and unwarranted expansion of Governmental functions.

It is believed that with modern mass-production methods, systematic inspection, and technical control of raw materials and processes, manufacturers have the ability to produce uniform grades and types of machine-made goods for export.

Buyers, both domestic and foreign, are eagerly searching for assurance as to quality, and sellers are even more eagerly looking for means to promote sales, to expand, and to solidify their markets. What more natural, convenient, and effective means could there be for accomplishing both of these purposes than through the voluntary certification of quality by the seller according to voluntary standards established with the cooperation of the Federal Government? It is a logical and practical long-term method of preparing for expansion of world trade.

The objective of such standards is to bring some order out of conflicting sizes, ratings, grades, or other commercial claims; not to make products uniform, nor to give up design differences, nor to hamper future improvements, nor to surrender any selling points, trade names, trade brands, or other individual advantages; but rather, to find some common ground or platform on which sellers can stand together to improve public understanding and acceptance of the product, to provide fair competition, to broaden markets, and to provide voluntary and regular identifications or labels whereby the seller accepts responsibility for compliance with the standard through voluntary declarations on which the purchaser may rely.

In order to make this possible, provisions is made through the Commodity Standards Division of the National Bureau of Standards to cooperate with those industries which may wish to do so, in the development and establishment of commercial standards as a basis for promoting export trade.

The procedure is very similar to that for the establishment of commercial standards for domestic trade. On specific request by the exporters, conferences are held, standards developed and adjusted, and following acceptance in writing by a satisfactory majority, these standards are published and promulgated in English by the National Bureau of Standards. In the course of development, an investigation is made of the usefulness of proposed standards from the standpoint of practical trade promotion in order that the standards may have the maximum value as a means of increasing the prestige and sale of American commodities abroad.

Approved standards are then translated into Spanish, Portuguese, or other appropriate languages according to the market opportunities, and after checking with experienced exporters, the translations are published. They are circulated to the American Foreign Service Officers for trade promotion purposes, and to libraries, government departments, and other offices in foreign countries, where they will be available for reference.

Exporters may also obtain printed copies at reasonable cost, in such quantities as they desire, in English or other language editions for use by their own representatives in stimulating foreign business.

It will be seen that the purpose of commercial standards for export trade is to provide definite methods of testing, grading, and inspection for conformity with performance requirements and other criteria; to present a common basis for better understanding between buyers and sellers; to assure prospective foreign buyers of uniform, high-quality products in order that they may purchase with confidence; and to provide a means whereby American exporters may cooperate with the Federal Government in the expansion of export markets and the improvement of our reputation as producers of quality products as distinct from those which are offered almost wholly on a price basis.

In order that such a cooperative program between Government and business may attain maximum effectiveness, in working with industries or groups desiring the assistance of the Department in establishing and translating standards as a basis for exports, preference will be given to those (1) that have formed a trade association or other central organization; (2) whose individual member companies will accept the standard in writing as their normal standard practice; (3) whose members, either individually or collectively, or both, will regularly identify or label goods or shipments as complying with the standard; and (4) who will formulate and follow some simple, inexpensive plan of check-testing, in order that each exporter, the trade association or the central organization, and this Department, may be assured of the integrity of the labels or identifications.

Exporters who may be interested in the establishment of standards for export trade, or who may wish to inquire further about them, are encouraged to write the Commodity Standards Division, National Bureau of Standards, Washington 25, D. C. A list of commercial standards established for exports and printed standards in English and foreign languages are available on request.
